**Rhode Island 21st Century Community Learning Center (21st CCLC) grant**

**Equipment Guide**

**Updated January 2019**

**Purpose**

Federal regulations allow for the use of 21st Century Community Learning Center (21st CCLC) grant funding to be used for the purchase of equipment. Certain requirements apply.

**Paying for Equipment with 21st Century Funds**

The use of any item (not just equipment but also supplies, staff, consultants, purchased services, etc.) needs to match the funding source for that item. You must pay for something (“allocate” a cost) in proportion to how much you will use it (“relative benefit received”). So if you are paying 100% of the cost of something out of 21st Century funds, then the 21st Century program must get 100% of the benefit. If another program is getting 50% of the usage then they should pay 50% of the cost.

* “A cost is allocable to a particular Federal award or other cost objective if the goods or services involved are chargeable or assignable to that Federal award or cost objective in accordance with relative benefits received.”[[1]](#footnote-1)

**Tagging and Tracking Equipment**

Once you have purchased a piece of equipment, whether paid for entirely or just partially with Federal Funds, there is a lengthy list of requirements. These requirements apply to “tangible personal property (including information technology systems) having a useful life of more than one year and a per-unit acquisition cost which equals or exceeds the lesser of the capitalization level established by the non-Federal entity for financial statement purposes, or $5,000.”[[2]](#footnote-2)

The requirements are:

1. “Property records must be maintained that include a description of the property, a serial number or other identification number, the source of funding for the property (including the FAIN), who holds title, the acquisition date, and cost of the property, percentage of Federal participation in the project costs for the Federal award under which the property was acquired, the location, use and condition of the property, and any ultimate disposition data including the date of disposal and sale price of the property.
2. A physical inventory of the property must be taken and the results reconciled with the property records at least once every two years.
3. A control system must be developed to ensure adequate safeguards to prevent loss, damage, or theft of the property. Any loss, damage, or theft must be investigated.
4. Adequate maintenance procedures must be developed to keep the property in good condition.
5. If the non-Federal entity is authorized or required to sell the property, proper sales procedures must be established to ensure the highest possible return. ”[[3]](#footnote-3)

Although the federal regulations refer to equipment over $5000 per unit, we strongly recommend adopting similar procedures for any equipment purchased. We also recommend doing an annual inventory.

**Disposal of Equipment**

Once you have determined that an item is no longer needed for the program and its fair market value is less than $5,000, you may retain, sell, or dispose of it.[[4]](#footnote-4). In the rare case that you have equipment that is no longer needed for the program and its fair market value is more than $5,000, please contact RIDE for guidance.

**Agency Policies**

Regardless of what school your program is serving you should be following the policies and procedures of the school district/charter school/non-profit that is the receipient of the grant.  In some cases their rules may be more stringent than the federal requirements. Being able to show that you are following the Board-approved policies and procedures is important for state or federal monitoring and/or audits.

1. 2 CFR §200.405, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards ("Uniform Guidance") [↑](#footnote-ref-1)
2. 2 CFR §200.33 [↑](#footnote-ref-2)
3. 2 CFR §200.313 [↑](#footnote-ref-3)
4. 2 CFR §200.313 [↑](#footnote-ref-4)